

The show must go on? WWE, Wrestlemania, and the response to a crisis

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ABSTRACT

World Wrestling Entertainment (WWE) is the largest professional wrestling organization in the world, and one of the most recognizable brands in all of sports entertainment. Their “superstars” include well-known characters such as Hulk Hogan and The Rock, athletes who have transcended sports and become household names in popular culture and entertainment. When the coronavirus hit North America in early 2020, it forced most sports organizations to shut down, but left the path to reopening vague and ambiguous. Major American sports leagues such as the National Basketball Association and Major League Baseball struggled to find a balance between restarting competition and ensuring athlete safety. Like most other sports, professional wrestling was forced to abandon its live events in the early weeks of the pandemic. WWE faced the choice of whether or not to hold their jewel event, Wrestlemania, in early April, while most American sports leagues were not operating and the country was still in the early stages of dealing with the Covid-19 pandemic. Unlike other sports leagues, however, WWE owner Vince McMahon’s motto was “the show must go on.” This case will ask students to explore the financial choices facing WWE in late-March and early-April of 2020 as the company made the decision to hold its annual Wrestlemania event.

Keywords: Crisis Management, Risk Management, Revenue Streams, Strategic Decision-Making

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INTRODUCTION – THE COMPANY

World Wrestling Entertainment (WWE) is a publicly traded ‘integrated media and entertainment company’ with more than 960 employees based in Stamford, Connecticut (Annual Report, 2020). WWE organizes its operations around three primary business segments including media, live events and consumer products (WWE, 2020). The company consists of a portfolio of businesses that deliver original content throughout the year and it controls multiple international subsidiaries. The company is also a music publishing company, a film development and production company, a real-estate business, and additional corporate identities in the form of former competitors World Championship Wrestling (WCW) and Extreme Championship Wrestling (ECW) (WWE, 2020 and McQuarrie, 2006).

At the core of WWE’s business is professional wrestling, which the company and its early founders have been involved in since the 1940s. The company is chaired by Vincent K. McMahon, a third generation wrestling promoter, who is responsible for growing the company to the global brand that it is today (WWE, 2020). In 1972, McMahon joined his father’s Capitol Wrestling Corporation (CWC) and grew CWC’s television presence from small local broadcasts to syndicated programming on 30 television stations around the United States by 1979 (WWE, 2020c). In 1982 McMahon purchased CWC from his father and throughout the decade expanded the CWC by purchasing small regional wrestling ventures throughout the United States and brought them together under the umbrella of the then-World Wrestling Federation (WWF). McMahon’s use of innovate broadcasting technologies such as cable television and pay-per-view and closed circuit events helped make his company one of the industry leaders in broadcasting professional wrestling throughout the 1980s and into the 1990s (WWE, 2020c).

McMahon has also found that fans of professional wrestling are key elements of the success of professional wrestling itself. “More than any other sport,” McMahon said in 2020, “our audience is part of our program. Audience interaction is always a plus. It goes back to the origin of this genre in terms of 'yay!' and 'boo!' The audience is integral to our success and ratings” (Toro, 2020).

The WWF signed lucrative television contracts with national broadcasters and began expanding their audience throughout the country ultimately becoming the industry leader by the late 1980s and early 1990s. By the mid-1990s the televised professional wrestling was so lucrative that it attracted the attention of Ted Turner the owner of multiple media conglomerates and a TNT network who put his financial resources behind one of WWF’s competitors, World Championship Wrestling (WCW). The competition between WWE and WCW, known as the “Monday Night Wars” expanded the audience for wrestling even further throughout the 1990s as both companies created high quality content and vied for the best talent in the business (McQuarrie, 2006). By the early-2000s Ted Turner’s company was losing the battle with WWE and following TNT’s sale to AOL/Time Warner the WCW brand was sold to WWE. The purchase of its largest competitor left WWE as the largest, and one of the only, remaining televised wrestling companies in the United States.

Throughout the 2000s and 2010s WWE faced competition from smaller wrestling brands such as Eastern Championship Wrestling (which was purchased by WWE in 2001), All Elite Wrestling (AEW) and Impact Wrestling (Impact!). The smaller brands have found their own levels of success, but WWE has remained the largest wrestling company in the industry by far, generating nearly \$1 billion in revenues in 2019.

At the start of 2020, WWE produced seven hours of live programming each week for 52 weeks a year. The company's premier programming includes programs such as "Monday Night Raw" and "WWE NXT" broadcast on the USA Network and "Friday Night Smackdown" broadcast on the Fox network (WWE, 2020). WWE's audience is large and diverse, and spans many generations and socioeconomic classes. Roughly 40% of WWE's audience is female and 17 percent are under the age of 18 (WWE, 2020b). The company's live programming can be seen in more than 800 million homes in 190 countries and heard in 28 languages (WWE, 2020). In addition to their televised programming, WWE hosts more than 500 live events throughout the year (known as house shows), making the company one of the largest traveling entertainment shows in the world (WWE, 2020).

WWE TALENT

Unlike other major professional sports leagues WWE's talent in the form of professional wrestlers do not have a union. Unions such as the Major League Baseball Players Association (MLBPA) or the National Football League Players Association (NFLPA) act as the collective bargaining arms for all current athletes in their respective sports, often representing players with grievances, salary arbitration, licensing agreements and ensuring the safety of all of their members (Major League Baseball Players Association, 2020).

Instead, professional wrestlers signed with WWE act as independent contractors who sign booking contracts with the company, the language of which has remained relatively similar since the mid-1980s (Smith, 2015). All of WWE's main-roster wrestlers sign contracts that give WWE the exclusive worldwide rights to the wrestler's services, the wrestler's appearances (in wrestling and other forms of media), the intellectual property rights to the wrestler, and the merchandising rights to the wrestler's image and likeness (Elberse & Rodman, 2020).

WWE has its own 26,000 square foot training facility in Orlando, Florida, known as the WWE Performance Center, available for use exclusively by its talent, which is a uniquely wrestling-specific facility. The Performance Center serves as the primary teaching and training facility for WWE's talent and includes seven training rings, a strength and conditioning program, medical facilities and multimedia production facilities.

THE WWE NETWORK

In February 2014 the WWE launched an online video streaming network known as the WWE network. Online subscribers to the WWE network pay monthly fee of \$9.99 per month to have full access to the more than 11,000 hours of on-demand WWE content as well as all live pay-per-view events. On average, the WWE Network broadcasts one premium pay-per-view event each month throughout the year. The WWE network also hosts live studio shows as well as original programming such as documentaries and other wrestling themed entertainment. The company's strategy for creating original content has helped the popularity of the WWE network, and in 2019 the network aired more than 340 hours of original content. Customers can access the network through streaming devices, gaming consoles, computers, mobile devices, smart televisions and other digital media players. As of December, 2019, WWE Network had 1,391,000 paid subscribers (Annual Report, 2020).

Year	Q1	Q2	Q3	Q4
2014	495,000	700,000	731,000	816,000
2015	1,327,000	1,156,000	1,233,000	1,217,000
2016	1,357,000	1,511,000	1,444,000	1,403,000
2017	1,574,000	1,568,000	1,507,000	1,471,000
2018	1,624,000	1,742,000	1,615,000	1,528,000
2019	1,597,000	1,597,000	1,466,000	1,389,000
2020	1,495,000	-	-	-

WRESTLEMANIA

Wrestlemania is WWE's annual flagship event and largest pay-per-view that takes place between March and April of each year. The event attracts wrestling and non-wrestling fans from around the world and is the premier attraction for the entire sport. As of 2020, there had been 36 Wrestlemania events throughout history, making the event the longest running and most successful wrestling event in history (Shoemaker, 2013).

The first Wrestlemania was held in Madison Square Garden and debuted on closed circuit television on March 31, 1985, and included celebrity appearances by Muhammad Ali and Liberace, and a main event match between Roddy Piper/Mr Wonderful Paul Orndorff and Hulk Hogan/Mr T. More than one million viewers watched the first Wrestlemania and the event is credited as being one of the key moments in the growth of WWE as a company and the sport of wrestling's growth in global viewership (WWE, 2020).

With a big event comes a big stage, and Wrestlemania has traditionally taken place in some of the largest and most lavish sporting venues in the world, including Wrestlemania III at the Pontiac Silverdome (93,173 fans) and Wrestlemania 32 at AT&T Stadium in Arlington, TX (101,763 fans). With its largest audience of the year, WWE looks to its key event to showcase the largesse of the company and its superstars. Throughout the history of the event, Wrestlemania has been WWE's highest attended live show, with an average of 49,979 fans annually, and 70,484 fans for the 15 events prior to 2020 (see Table 1 in Appendix A).

COST OF HOSTING WRESTLEMANIA

Hosting world class live sporting events isn't cheap, and WWE works hard to ensure that its live events (also called house shows) are experiences fans don't quickly forget. The most lavish and expensive live shows are the monthly Pay-Per-View events like Royal Rumble, Summer Slam, Survivor Series, and Wrestlemania. On average, it costs WWE roughly \$1 million to stage each Pay-Per-View event. Less lavish but still costly are the weekly televised shows, such as Monday Night Raw and Smackdown, which cost the company less than half as much as pay-per-view events, or roughly \$500,000 per event. Non-televised house shows can cost the company as little as \$95,500 per show (Harrington, 2015).

Setting up for a WWE event is a complex and labor intensive task that involves the coordination of dozens of people working in a wide variety of jobs throughout WWE and on site at venues. In addition to the venue rental costs (which range anywhere from \$12,500 for an arena on a Sunday evening for a pay per view and \$7,500 per day for days setting up the venue

for the event) the company incurs costs for equipment, travel and set up to host each event (Canton, 2020).

Between live shows, crews drive more than a dozen fully loaded semi-trailer trucks between sites to ensure that everything arrives on time to set up each show in advance. Lighting rigs, control stations, the wrestling ring, cameras, television control equipment, cables, and the massive TitanTron entrance screen are set up by dozens of WWE engineers and crew in the days preceding the event (How Stuff Works, 2015). WWE also pays for site-specific labor including local police, paramedic, security, venue stage and setup crews, parking lot staff, cleanup staff, and any additional staffing needs on the days leading up to, and including, the event itself (Canton, 2020).

WORLD WRESTLING ENTERTAINMENT REVENUE STREAMS

Live events

As of 2019, net revenues from live WWE events were \$125.6 million, representing 13% of total net revenues for the company. Revenues from live events consist of primary and secondary market ticket sales and revenues from events for which the company receives a fixed fee. Live events are key to the WWE business model as they allow the company to highlight their roster of talented wrestlers in numerous domestic and international markets. Live events also act as the primary producer of creative content for the company and act as the principle vessel for the company's creative storytelling for its plotlines in the ring and on the weekly television shows the lead up to the monthly pay-per-view events. The house-shows act as a barometer for the fan interest in the storylines and help the company assess the popularity of characters and plotlines. In 2019, the company produced 260 live events throughout North America and hosted 1.3 million fans at an average ticket price of \$64.21 (Annual Report, 2020).

Media

The media segment of WWE includes the revenue streams earned from video content across all of the company's media platforms, including television, pay-per-view, digital media, filmed media, and the WWE Network. Revenues from these sources consist primarily of content-rights fees, subscriptions to the WWE Network and advertising and sponsorship revenues. In 2019, revenues from media sources were \$743.1 million, representing 77% of WWE's total net revenues for the year (Annual Report, 2020).

Core Contents Rights Fees

Rights fees are the payments that broadcasting companies pay to be the exclusive content providers of original World Wrestling Entertainment programming. WWE produces seven hours of original weekly domestic television programming, including RAW, SmackDown and NXT, the company's core content. RAW and NXT are licensed domestically with NBC Universal and Smackdown is licensed to the Fox Network. Raw is a three hour weekly live primetime program which anchors USA Network's programming lineup and is the longest running program in WWE's history, with more than 1,400 original episodes. SmackDown is a two-hour live show that airs weekly on the Fox Network, and is WWE's second longest running program. NXT airs two

hours of live wrestling on Wednesday nights on the USA Network. All three shows air on the WWE Network following their original broadcast airings on the USA Network and Fox Network. In total, the company's television programming can be seen in more than 800 million homes and in 28 languages around the world (Annual Report, 2020).

Revenue from Advertising Revenue and Sponsorships

WWE uses numerous internet and social media platforms to promote its brand, share digital content and connect with fans and community members, including streaming its media content on YouTube and Facebook. As of 2019, WWE had more than 50 million YouTube subscribers and more than 20 billion video views of the company's content on the platform. The company received advertising revenue from YouTube and Facebook based on viewership of posted content. The company's primary website, WWE.com, attracts more than 8 million monthly unique worldwide visitors that viewed an average of 120 million pages and 9 million video streams per month. Global advertising partnerships sell localized advertising on WWE.com, which allows advertising partners to sell advertising across multiple countries. In addition to advertising revenues, the company has numerous blue chip sponsors across a variety of markets including Hyundai, Coca-Cola, Unilever, Microsoft, Amazon, Facebook, Taco Bell, KFC and Walmart. Advertising and sponsorship net revenue totaled \$72.4 million in 2019, accounting for roughly 7.5% of total net revenues for the company (Annual Report, 2020).

Consumer Products/Licensing Revenue

The consumer products segment includes the sales of WWE branded products, including books, music, video games, toys and apparel, through licensing agreements and direct sales to consumers. Revenues from consumer products consist primarily of royalties and licensing fees from more than 200 worldwide licensees related to branded products and sales of merchandise directly to consumers at live events. Revenues from consumer products in 2019 were \$91.7 million, representing roughly 10% of total net revenues for the company (Annual Report, 2020).

THE COVID-19 CRISIS

In 2019, an outbreak of the Novel Coronavirus Disease (COVID-19), originating in Wuhan, China, began spreading throughout the world. Covid-19 is a virus that causes respiratory, enteric, hepatic and neurologic diseases in humans and other mammals similar to symptoms of pneumonia (Zhu, 2020). By early-2020 Covid-19 infections began appearing in the United States, and in February the first reported American deaths from the disease were reported. By the end of March, 2020, infections from the disease were reported in all 50 states in the country.

Beginning in March, professional sports organizations took action against the disease. The National Basketball Association (NBA) was the first major professional league to announce the cancellation of its season on Wednesday, March 11th. The following day, March 12th, the National Collegiate Athletic Association (NCAA) canceled all remaining winter and spring college sporting events (including the lucrative Men's Basketball Tournament, known as March Madness), Major League Baseball (MLB) officially delayed the start of its spring training, the National Hockey League (NHL) suspended the 2019-20 season, and other leagues quickly suspended live activities.

Guiding principles issued by the Centers for Disease Control (CDC) on March 15th recommended that gatherings of 50 or more people should be postponed, causing most professional leagues to push their return-to-play dates into July or August at the earliest (CDC, 2020). WWE was not unaffected by the global pandemic and was forced to respond to the restrictions on public gatherings and the shutdown of live sporting events.

QUESTIONS TO ANSWER

It is March 1st, 2020 and you are working on the management team at the WWE. Wrestlemania is the WWE's annual flagship and largest event and largest pay-per-view. In 2019, WWE earned \$16.9 million in ticket revenue and 2 million viewers tuned in to watch the event across various broadcast platforms. As they prepared for Wrestlemania 36 on April 5th, 2020, things were a bit different. As the COVID-19 outbreak spread throughout the United States in professional sports leagues began shutting down with no hope of re-opening anytime soon professional wrestling was hit with a unique challenge. Taking into account the potential revenue, risk to the safety of the humans (athletes, officials, fans, employees, etc.), how do you proceed with WWE's Wrestlemania? At that time, there are no governmental restrictions to groups gathering. Therefore, you really have three options.

WWE's Options:

1. Host Wrestlemania with fans
2. Host Wrestlemania without fans
3. Cancel the event outright

Option 1: Host Wrestlemania in Tampa, Florida, without fans

Wrestlemania was slated to be held at Raymond James Stadium (capacity 75,000) in Tampa, Florida on April 5th, 2020. At the beginning of March 2020, Florida has its first case of Covid-19. Within weeks, the state began to see hundreds of new cases. On March 12th, 2020, Florida Governor Ron DeSantis said that "if mass gathering is not cancelled, event organizers should have screening measures in place to prevent people who have been exposed to the virus from entering" (Jacksonville.com, 2020). The WWE has to make a decision by March 18th about how to proceed.

In early March, 2020 there was a general sense throughout the United States that professional sports were one of the highest risk areas with which people could come into contact with the virus, for fans as well as participants. Additionally, there was a perception that by hosting live sports at this time, professional wrestling organizations were out of step with the public idea of what was right and wrong in the early stages of a pandemic.

Option 2: Host Wrestlemania in a bubble, without fans

Due to the fact that WWE has its own private facility in Florida and the means by which to broadcast their live sporting events digitally and over television networks they had the ability to work with their talent who are contractually obligated much differently with then unionized athletes to put on shows that could be broadcast fans without having fans in attendance

With the lack of other professional sports with which to watch there was a huge vacuum for sports viewership in March, April, and May 2020 of vacuum that could be filled by original content by WWE. Furthermore subscribers to the WWE network could choose to cancel their memberships if no live programming in the form of television broadcasts and pay-per-views

would be made available to them on a month-to-month basis. The opportunity available to WWE by hosting Wrestlemania in a closed venue in Florida could offer an incentive for new subscribers to the WWE Network and the retention of their existing subscriber base.

Option 3: Cancel the Event Outright

By canceling Wrestlemania WWE stood to lose the revenue that would have been earned by fans who attended the event in person and the merchandise sales that would have taken place at the venue. Combined in 2019 this was nearly \$20,000,000 (\$16,900,000 in tickets alone). In addition, not hosting Wrestlemania would lead to the risk that subscribers to the WWE Network would cancel their subscriptions.

Complicating the issue of hosting Wrestlemania was the fact that in April 2020 very little was yet known about the extent to which COVID-19 would affect athletes coming into contact with other athletes.

DISCUSSION QUESTIONS

1. Without governmental restrictions on group size, the management team at the WWE has to make a decision that has to balance their financial viability and the safety of their athletes, fans, employees, and officials. What should the management team consider when making this decision?
2. How could a “pivot” to options 2 (removal of fans) and 3 (cancelling the event outright) impact the financials at WWE? What revenue sources are impacted?
3. How might WWE use this crisis management situation to improve their brand image and increase the value of their brand? What creative solutions exist to capitalize on a ‘not so great’ situation?
4. How can the WWE brand engage with their fans in a time where they may not be able to physically attend events (such as Wrestlemania)? Describe some other examples of sport brands that did it right during the Covid-19 pandemic of 2020.

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Appendix A – Wrestlemania Data

Wrestlemania Data					
Event	Date	Location	Venue	Attendance	Total Ticket Revenue
Wrestlemania 31	March 29, 2015	Santa Clara, CA	Levi's Stadium	76,976	\$12,600,000
Wrestlemania 32	April 3, 2016	Arlington, TX	AT&T Stadium	101,763	\$17,300,000
Wrestlemania 33	April 2, 2017	Orlando, FL	Camping World Stadium	75,245	\$14,500,000
Wrestlemania 34	April 8, 2018	New Orleans, LA	Mercedez-Benz Superdome	78,133	\$14,100,000
Wrestlemania 35	April 7, 2019	East Rutherford, NJ	MetLife Stadium	82,265	\$16,900,000

Wrestlemania Viewership Data	
Event	WWE Network
Wrestlemania 31	1,315,000
Wrestlemania 32	1,824,000
Wrestlemania 33	1,949,000
Wrestlemania 34	2,124,000
Wrestlemania 35	2,000,000

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Appendix B – World Wrestling Entertainment 2019 Financial Information

Year Ended December 31, 2019 compared to Year Ended December 31, 2018
(dollars in millions)

Summary

The following tables present our consolidated results followed by our Adjusted OIBDA results:

	<u>2019</u>	<u>2018</u>	Increase (decrease)
<u>Net revenues</u>			
Media	\$743.1	\$683.4	9%
Live Events.	125.6	144.2	(13)%
Consumer Products	91.7	102.6	(11)%
Total net revenues(1)	<u>960.4</u>	<u>930.2</u>	3%
<u>Operating expenses</u>			
Media	475.7	430.2	11%
Live Events.	103.1	108.9	(5)%
Consumer Products	59.4	70.1	(15)%
Total operating expenses(2)	<u>638.2</u>	<u>609.2</u>	5%
<u>Marketing and selling expenses</u>			
Media	64.0	68.3	(6)%
Live Events.	14.8	18.7	(21)%
Consumer Products	5.9	9.0	(34)%
Total marketing and selling expenses(3)	<u>84.7</u>	<u>96.0</u>	(12)%
General and administrative expenses	86.9	85.4	2%
Depreciation and amortization.	34.1	25.1	36%
Operating income	<u>116.5</u>	<u>114.5</u>	2%
Interest expense	26.1	15.4	69%
Other income, net	4.3	6.9	(38)%
Income before income taxes	<u>94.7</u>	<u>106.0</u>	(11)%
Provision for income taxes	17.6	6.4	175%
Net income	<u>\$ 77.1</u>	<u>\$ 99.6</u>	(23)%



Appendix C – World Wrestling Entertainment 2019 Media and Live Event Financial Information

Media

The following tables present the performance results and key drivers for our Media segment (dollars in millions, except where noted):

<u>Net Revenues</u>	<u>2019</u>	<u>2018</u>	<u>Increase (decrease)</u>
Network (including pay-per-view)	\$ 184.6	\$ 199.3	(7)%
Core content rights fees(1)	348.6	269.8	29%
Advertising and sponsorship	72.4	69.6	4%
Other(2)	137.5	144.7	(5)%
Total net revenues	<u>\$ 743.1</u>	<u>\$ 683.4</u>	9%
<u>Operating Metrics</u>			
Number of paid WWE Network subscribers at period end	1,391,000	1,528,100	(9)%
Domestic	997,300	1,116,200	(11)%
International(3)	393,700	411,900	(4)%
Number of average paid WWE Network subscribers	1,550,000	1,651,800	(6)%
Domestic	1,128,800	1,205,400	(6)%
International(3)	421,200	446,400	(6)%

Live Events

The following tables present the performance results and key drivers for our Live Events segment (dollars in millions, except where noted):

<u>Net Revenues</u>	<u>2019</u>	<u>2018</u>	<u>Increase (decrease)</u>
North American ticket sales	\$ 93.8	\$ 105.4	(11)%
International ticket sales	19.0	22.3	(15)%
Advertising and sponsorship	2.1	2.1	—%
Other(1)	10.7	14.4	(26)%
Total net revenues	<u>\$ 125.6</u>	<u>\$ 144.2</u>	(13)%
<u>Operating Metrics(2)</u>			
Total live event attendance	1,548,500	1,950,700	(21)%
Number of North American events	260	310	(16)%
Average North American attendance	5,100	5,200	(2)%
Average North American ticket price (dollars)	\$ 64.21	\$ 60.53	6%
Number of international events	50	56	(11)%
Average international attendance	4,500	6,200	(27)%
Average international ticket price (dollars)	\$ 81.18	\$ 74.87	8%

TEACHING NOTES

Learning Objectives

After reading this case study, students should be able to:

1. Describe basic of revenue streams for professional sports and live events.
2. Explain the crisis management decision-making process for sport organizations.
3. Describe the impact external factor (e.g. Covid-19) impact the profitability of a sport organization.
4. Plan and implement strategic decisions during a crisis management situation.

Teaching Overview

1. Case focused on a live professional sporting event, but can be applied to other sport organizations.
2. Pedagogical approaches can include written and oral presentation, group discussion, and creative idea generation.
3. Topics of discussion can include:
 - i. Revenue streams for sport organizations
 - ii. Crisis management
 - iii. Employee contracts/player unions
 - iv. Strategic decision making

This case provides a handful of topics for undergraduate students interested in working for sports organizations or the sports-entertainment industry. While this case focused primarily on one live professional wrestling mega event, the underlying principles of revenue generation, crisis management, employee contracts, unions, strategic decision making and marketing discussed in this case can be applied to similar issues throughout sports and traditional industry more generally.

The teaching notes in this section provide instructors a variety of approaches to discussing this case in class, outside of class projects, or online. These pedagogical approaches include both written and oral presentations, group discussions, and creative idea generation. It is suggested that instructors require student create a document that answers the provided discussion questions, as well as an oral presentation of ideas (e.g. discussion, group presentation, etc.). However, this case is set up to accommodate a variety of teaching practices.

Instructors are suggested to highlight the following topics when including this case in their courses: revenue streams, crisis management, and strategic decision-making.

KEY DISCUSSION QUESTIONS

1. Without governmental restrictions on group size, the management team at the WWE has to make a decision that has to balance their financial viability and the safety of their athletes, fans, employees, and officials. What should the management team consider when making this decision?
2. How could a “pivot” to options 2 (removal of fans) and 3 (cancelling the event outright) impact the financials at WWE? What revenue sources are impacted?

3. How might WWE use this crisis management situation to improve their brand image and increase the value of their brand? What creative solutions exist to capitalize on a 'not so great' situation?
4. How can the WWE brand engage with their fans in a time where they may not be able to physically attend events (such as Wrestlemania)? Describe some other examples of sport brands that did it right during the Covid-19 pandemic of 2020.

TEACHING PLAN

Case Introduction

1. Provide the students with an introduction to this case, including general information about sports entertainment, World Wrestling Entertainment or other forms of live sporting events. This provides the students an opportunity to reflect on their own experiences with watching or attending live sporting events.
2. Give students a copy of the case. Have students read the abstract to the case in class and identify the "questions to answer" and "discussion questions" sections at the end of the case. Use this time to answer any questions students might have about the expectations for the case. This will allow the students to understand the assignment before reading the case for details.
3. If given as a homework assignment, allow the students at least 24 hours to read the case and answer the "questions to answer."

Content Relative to Learning Objectives

1. In groups, ask the students to identify the various revenue streams for professional sports and live events. Then ask students to research other professional organizations and what their revenue streams. You may want to give them an example, such as the Olympics - <https://www.olympic.org/funding>
2. In groups, have the student identify the how a business can respond to a crisis. For example, what happens when a star player is arrested? Or a head coach makes a racist comment publically. How should the organization respond publically (externally) and internally?
3. Ask the students to give examples of external influences on an organization. This can include legal restrictions, political, economic, social, etc. Have the students identify why the sport organization doesn't have much control over these factors, at least in the short term. Then have the student compare how the examples they came up with compare to the Covid-19 pandemics effects on sports. Are there similarities between these various external forces? How do they impact the profitability of the sport organization?
4. In groups, have the students put together a mock strategic decision making framework for a crisis management situation. How should an organization respond to a crisis? What should their first steps be? How do they make it out of the crisis with business sustainability in mind?

Group Presentations

1. A group presentation format allows students an opportunity to discuss the issues of the case with their peers. Students can be assigned to diverse groups to allow for discussions that draw out broad ways of thinking about this case.
2. Providing a forum for sharing their findings in an oral presentation will result in an intentional focus on crafting meaningful insights into this case. Students will have the opportunity to sharpen their oral communication skills and develop their ability to craft reasoned and thoughtful arguments.
3. By using a rubric for the presentation, the instructor can identify key areas for students to focus their presentation on, including: an overview of the case, an analysis of the key decision points, a discussion of the options facing the company, and the elements of presentation that are being evaluated (tone, flow of presentation, professional dress, finishing on time, etc.).

Instructor-Led Concluding Discussion - WWE Decides to Move Wrestlemania

Instructors are suggested to wrap-up this case by discussing the choice actually made by World Wrestling Entertainment to host Wrestlemania at a bubble site. This concluding discussion can link the real-life choice made by the company to the choices made by students throughout the process of breaking down this case.

On March 16th it was announced that WWE planned to move Wrestlemania 36 from its intended location of Raymond James Stadium in Tampa, Florida, (with an expected audience of 100,000 fans) to the WWE Performance Center in Orlando (Martinez, 2020 & WWE, 2020c). The company planned to take many precautions during the preparation for Wrestlemania including ensuring that the Performance Center would be used only by essential personnel. WWE talent would be tested for COVID-19 symptoms during the event and throughout their time at the Performance Center. The company also announced that it would allow many of their wrestlers to remove themselves from performing in the event if they were at high-risk medically or had pre-existing conditions.

CONCLUSION

The case presented here (The Show Must Go On?) shows the need for managers to understand their revenue streams and plan for crisis management situations. Topics related to revenue streams, crisis management, and strategic decision-making.